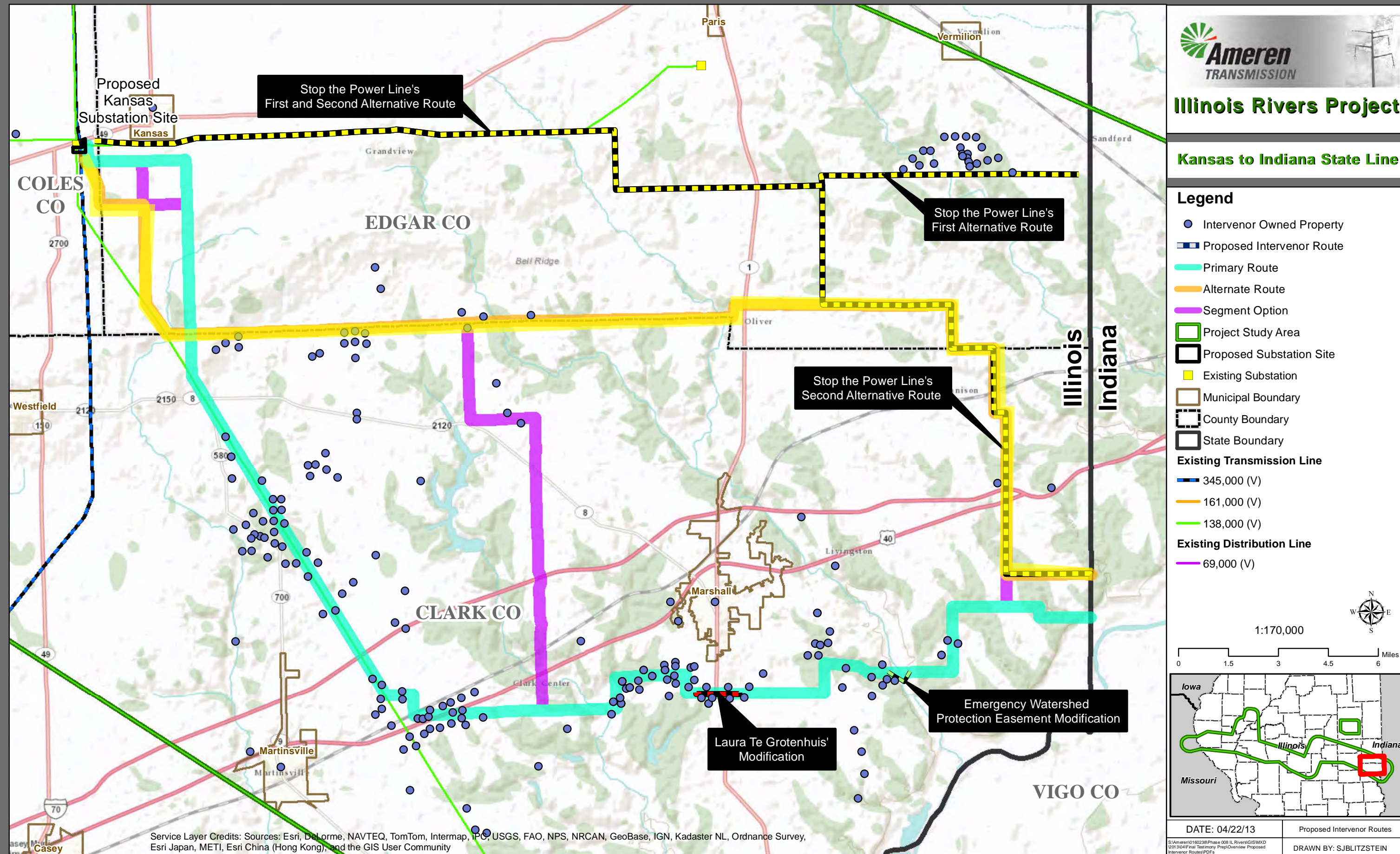


ATXI Figure 7: Kansas - Indiana State Line



(i) Length of the Line

	Stipulated (MCPO 2) Route	ATXI Primary Route	ATXI Primary Route
Estimated Length in Miles	69.2	68.32	66.42

(ATXI Ex. 3.4 (3d Rev.); MCPO Ex. 1.4; ICC Staff Ex. 1.0R, p. 51, Tbl. 7.)

(ii) Difficulty and Cost of Construction

	Stipulated (MCPO 2) Route	ATXI Primary Route	ATXI Alternate Route
Estimated Baseline Cost	\$ 126,511,000	\$ 129,087,000	\$ 128,026,000

(Id.; ATXI Ex. 13.0C (2d Rev.), p. 58; ICC Staff Ex. 1.0R, p. 46, Tbl. 7.)

(iii) Difficulty and Cost of Operation and Maintenance

There is no record evidence the Stipulated Route would be more difficult to operate and maintain or would be more costly to operate and maintain relative to the other routes proposed. The record also contains no meaningful distinction between the proposed routes regarding the difficulty or cost of operating and maintaining each.

(iv) Environmental Impacts

There is no record evidence the potential environmental impacts resulting from construction of the Stipulated Route would be greater than those resulting from the other proposed routes. Rather, the evidence suggests the Stipulated Route will have minimal environmental impacts. (MCPO Ex. 1.6.) Such impacts will occur regardless of the route approved by the Commission, in any event.

(v) Impacts on Historical Resources

The Stipulated Route would not impact any historical resources. (MCPO Exs. 2.3, p. 2; 2.4, p. 2.) Nor would any other routes proposed by ATXI or MCPO for Pana-Mt. Zion-Kansas.

(ATXI Exs. 4.0, pp. 36-37; 4.5, p. 2; MCPO Exs. 2.3, p. 2; 2.4, p. 2.) There is one known archaeological site that falls within the easement of the Stipulated Route, however MCPO witness Mr. Reinecke testifies the presence of this site will not prevent the line from being constructed. (MCPO Exs. 2.0, p. 19; 2.3, p. 2.) Mr. Reinecke concluded it “is likely the site is not eligible for listing and will not affect the design or pole placement” or prevent the Stipulated Route from being constructed. (MCPO Ex. 2.0, p. 20.) ATXI will work with the IHPA to address issues that may arise during the construction process, and will obtain required permits or approvals, if any, prior to construction. (ATXI Ex. 4.0, p. 42.)

(vi) Social and Land use Impacts

As discussed by Ms. Murphy, cemeteries, churches, prime farmland and schools were identified as highly sensitive during the Phase 1 public meetings. (ATXI Ex. 4.0, p. 17.) There are the same number of schools and churches within 500 of the Stipulated, Primary and Alternate Routes. (ATXI Ex. 4.5; MCPO Ex. 2.3, p. 2.) While all three of these routes primarily impact farmland, the Stipulated Route would impact the least amount of prime farmland (132.3 and 109.7 fewer acres than the Primary and Alternate Routes, respectively). (ATXI Ex. 4.5, p. 1; MCPO Ex. 2.3, p. 1.) As discussed above, these impacts can be addressed through detailed design of the route, construction mitigation measures, and easement and damage compensation discussed. There is no record evidence regarding the societal and land use impacts that supports selection of a route over the Stipulated Route.

(vii) Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

There are approximately 199 and 222 landowners and other stakeholders with property on or within 250 feet of either side of ATXI’s Primary and Alternate Routes, respectively. (ATXI Exs. 5.0, pp. 21-22 (Trelz Dir.); 5.4 (Rev.), pp. 25-32, 69-76.)

The Stipulated Route would not require displacement of any residences. Nor would ATXI's Primary and Alternate Routes. All of these routes run within 150 feet of a limited number of residential and nonresidential structures:

	Residential Structures within 0-75 feet	Residential structures within 75-150 feet
Stipulated Route	0	1
ATXI Primary Route	0	12
ATXI Alternate Route	0	17

(ATXI Ex. 4.5, p. 4; MCPO Exs. 1.5; 2.3, p. 4; 2.4, p. 4.) The Stipulated Route also impacts the fewest residences within 500 feet – 15 less than ATXI's Primary and 31 less than ATXI's Alternate Route. (ATXI Ex. 4.5, p. 4; MCPO Ex. 2.3, p. 4.)

(viii) Proximity to Existing and Planned Development

There is no record evidence the Stipulated Route (or ATXI's Primary or Alternate Routes) is proximate to any existing or planned development.

(ix) Community Acceptance

The Stipulated Route for Mt. Zion to Kansas is supported by ATXI, MCPO, and the Shelby County Landowners Group, and only one party submitted testimony opposing the Stipulated Route. (See e.g. PDM Exs. 1.0 – 3.0.) Thus, the Stipulated Route best represents the consensus of the interests of the parties and is therefore the optimal option.

(x) Visual Impact

Visual impacts, if any, will be substantially the same for any route. There is no record evidence that the Stipulated Route is less preferable considering visual impact than any other route proposed for this portion of the Project

(xi) Presence of Existing Corridors

ATXI's Primary and Alternate Routes for this portion of the Project emerged, in part, from an evaluation of opportunities and stakeholder input as to preferred opportunities. (ATXI

Ex. 4.0, pp. 5, 7.) They utilize roads, property and section lines, and township boundaries. (ATXI Ex. 4.2 (Part 1 of 100), pp. 17-19.) The Stipulated Route parallels US Highway 36, an existing 138 kV transmission line, and an existing 345 kV transmission line corridor. (MCPO Exs. 1.0, p. 10; 1.2.)

G. Kansas – Indiana State Line

For the Kansas to State line portion of the Project, ATXI recommends approval of its Alternate Route (which was designated the “Rebuttal Recommended Route” in ATXI’s rebuttal testimony), as shown in orange on ATXI Exhibit 13.8 and highlighted on Figure X. Five other parties support this route, as reflected in a stipulation with ATXI: Stop the Power Lines Coalition (Stop the Power), Tarble Limestone Enterprises, JDL Broadcasting, Inc., Paul Thrift and John Thompson, and the Edgar County Intervenors also support it.¹⁷ (ATXI Stip. Ex. 5, ¶ 10.) Thus, for the purposes of this brief section, ATXI will refer to the route as the “Stipulated Route.” STPL’s second alternative route (STPL Route 2) is the only other route proposed for this portion of the Project with current party support.¹⁸ STPL Route 2, however, is not preferred for the reasons discussed below.

Apart from garnering the widest overall support, the Stipulated Route is the optimal route for this portion of the Project. It is the shortest of the routes proposed. (ATXI Ex. 13.0C (2d Rev.) (Murphy Reb.), p. 60; ICC Staff Ex. 1.0R, p. 51, Tbl. 9.) It also has a low dollar cost. (ATXI Exs. 13.0C (2d Rev.), p. 60; 16.3 (Rev.), p. 8.) Importantly, the Stipulated Route also

¹⁷ STPL consists of 17 individual landowners, 5 of whom submitted record testimony. The Edgar County Intervenors consists of 3 individual landowners.

¹⁸ There are three other routes proposals for this portion of the Project – ATXI’s Primary Route, Laura Te Grotenhuis’ alternative route, and Stop the Power’s first alternative route (STPL Route 1). However, no party recommends approval of those routes. ATXI notes that STPL Route 1 crosses into Indiana far north of the proposed connection point. As such, it would require an Indiana utility to construct additional facilities. (ICC Staff Ex. 1.0R, pp. 51-52.) Therefore, it cannot be considered a feasible route.

presents the lowest potential for societal impact relative to the other route proposals. (ATXI Ex. 13.0C (2d Rev.), p. 60.) The number of intervening parties who expressly support it makes this plain.

Only two Intervenor's oppose the Stipulated Route, but the bases for their opposition are unfounded. The Allen family owns land bordered on its north edge for approximately 2,000 feet by the Stipulated Route, which they oppose based on concern the route will negatively impact woodlands there, including specific species of wildlife seen on that property. (See Allen Dir. (Rev.).) The Rural Clark and Edgar County Concerned Citizens (RCECCC) likewise hold property interests in land along the Stipulated Route (Orin Dir., ¶ 3.) They also oppose it based on concerns it will impact their woodlands, as well as concerns the route will negatively affect farming operations and present and planned economic use of their land. (Id., ¶¶ 4.B-C.) All of these concerns, assuming they were to materialize, however, can be addressed through the detailed design of the route, construction mitigation measures, and easement and damage compensation discussed *supra*. (ATXI Ex. 13.0C (2d Rev.), pp. 61-62.) For example, mitigation measures related to woodland wildlife could include confirming protected species are present, controlling construction traffic in their vicinity, limiting ground disturbance to the extent feasible and restoring the right-of-way to its pre-construction condition, to the extent feasible. (ATXI Ex. 19.0 (Tims Reb.), p. 13.) Nonetheless, the environmental and land use impacts identified by the Allen family and the RCECCC would occur regardless of the route the Commission approves – if not to them, then to someone else. Tree removal, for instance, would not be unique to those intervenor's property. (Id., p. 12.) And the Indiana Brown bat, as another example, exists relative to the entire Project; the habitat range of this species encompasses the entire Project area. (Id., p. 13.) Clearly, specific accommodation of the Allen Family and the RCECCC's concerns

simply would shift their concerns to other landowners; it would not eliminate them. (Id.) As Staff witness Mr. Rockrohr acknowledged at hearing, “No matter what route that the Commission were to adopt, somebody would be burdened by having a transmission line” (Tr. 235: 2-4.)

As an alternative to the Stipulated Route, the Allen family and the RCECCC signal support for STPL Route 2. Staff witness Mr. Rockrohr likewise recommended in testimony that the Commission approve that route. (Tr. 239.) STPL Route 2 runs east from ATXI’s proposed Kansas substation site, paralleling an existing 138 kV transmission line for approximately 20 miles, at which point it turns south and joins the Stipulated Route to the State line. (ATXI Ex. 13.8, p. 1; ICC Staff Ex. 1.0R, p. 51.) Notably, Stop the Power has affirmatively withdrawn support for STPL Route 2. (ATXI Stipulation. Ex. 5, ¶ 11.) That route is inferior to the Stipulated Route, in any event.

Most notably, STPL Route 2 could require condemnation of one or more occupied homes, and it is closer to more residences than the Stipulated Route. (ATXI Ex. 13.0C (2d Rev.), p. 59; Thrift/Thompson/Edgar Cty. Ints. Ex. 2.0 (Mixon Dir.), p. 2.) STPL Route 2 also would cross a planned gas storage field in Edgar County, potentially interfering with operation and maintenance of the associated facilities. (ATXI Ex. 13.0C (2d Rev.), p. 59; Tr. 858-62.) Finally, STPL Route 2 presents potential operation and maintenance concerns. As compared to the Stipulated Route, STPL Route 2 would require construction of more miles of transmission line along rights-of-way parallel to rights-of-way for an existing 138 kV line – approximately 20 miles to the Stipulate Route’s 1.5. (See ATXI Ex. 13.8, p. 1.) There is no record evidence regarding the proposed separation, if any, between the rights-of-way for STPL Route 2 and the existing line. Absent sufficient separation, it may be more costly to operate and maintain STPL

Route 2 because both that line and the existing 138 kV transmission line must be taken out of service in order to safely maintain or repair either. (ATXI Ex. 12.0 (Rev.) (Hackman Reb.), pp. 5-6.)

Despite the above-noted flaws, Staff witness Mr. Rockrohr continues to recommend Commission approval of STPL Route 2, but for a single reason: “it’s slightly cheaper” than the Stipulated Route. (Tr. 238: 19-20.) At hearing, he testified it is his position that, “all things being equal, the shortest line will be the least cost” and, “when all things are equal, if one route is less expensive than the other . . . that’s the route that [he is] going to recommend[.]” (Tr. 194: 13-17, 233: 2-6.) With respect to STPL Route 2 and the Stipulated Route, however, as explained, “all things” are *not* equal.

1. Length of the Line

The Stipulated Route is the shortest of the routes proposed for this portion:

	Stipulated Route	ATXI Primary Route	Te Grotenhuis Route	STPL Route 1	STPL Route 2
Estimated Length in Miles	33.37	36.95	37.1	not specified	33.7

(ATXI Ex. 3.4 (3d Rev.); ICC Staff Ex. 1.0R, p. 51, Tbl. 9.)

2. Difficulty and Cost of Construction

	Stipulated Route	ATXI Primary Route	Te Grotenhuis Route	STPL Route 1	STPL Route 2
Estimated Baseline Cost	\$63,919,000	\$68,236,000	>\$68,236,000	not specified	\$62,348,000

(Id.; ATXI Exs. 13.0C (2d Rev.), p. 58, 16.3 (Rev.), p. 8; ICC Staff Ex. 1.0R, pp. 50, 51, Tbl. 9.)

There is no record evidence the Stipulated Route would be difficult to construct. As discussed above, because a substantial portion of STPL Route 2 runs parallel to an existing

transmission line, absent sufficient separation between the rights-of-way for the two lines, it may be more difficult to construct STPL Route 2. (ATXI Exs. 13.8, p. 1; 12.0 (Rev.), p. 6.) The record otherwise contains no meaningful distinction between the routes proposed as to the difficulty, if any, associated with their construction.

It is worth digressing here and addressing the constructability of ATXI's Primary Route, even though no party recommends that route. Notwithstanding ATXI's (and Stop the Power's) agreement to support and recommend approval of the Stipulated Route (ATXI's Alternate Route) (see ATXI Stip. Ex. 5, ¶ 10), Stop the Power continues to vehemently oppose construction of the Primary Route. Based on the legal opinion testimony of its witness Mr. Perry D. Baird,¹⁹ and, specifically Mr. Baird's interpretations of property records, federal law, and Commission precedent, Stop the Power has alleged ATXI cannot lawfully construct the Primary Route because the line depicting that route on ATXI's maps transgresses a federally owned floodplain easement in Clark County. (Stop the Power Ex. 1.0, pp. 11, 14-15.) Stop the Power has reached that conclusion irrespective of the fact that neither the federal agency that holds the easement, the National Resource Conservation Service, nor the owner of the property subject to the easement have intervened in this case. And it is irrespective of ATXI's repeated explanations, in discovery, legal brief, and written and cross-examination testimony to the contrary. Put simply, the Primary Route *can* be constructed. For the reasons set forth in legal brief submitted by ATXI in response to the ALJs' directive, the floodplain easement is not an absolute legal bar to

¹⁹ Expert legal opinion testimony is impermissible. Magee v. Huppin-Fleck, 279 Ill. App. 3d 81, 86 (1st Dist. 1996). See also Northern Moraine Wastewater Reclamation Dist. v. Ill. Comm. Comm'n, 392 Ill. App. 3d 542, 573-74 (2d Dist. 2009) (holding the Commission did not abuse its discretion in barring expert testimony where it, inter alia, "testified to legal conclusions; In re Initial Public Offering Sec. Litig., 174 F. Supp. 2d 61, 63 (S.D.N.Y. 2001) ("The rule prohibiting experts from providing their legal opinions or conclusions is 'so well-established that it is often deemed a basic premise or assumption of evidence law -- a kind of axiomatic principle.'"); Commonwealth Edison Co., Docket 11-0721, Ruling, p. 1 (Jan. 31, 2012) (striking testimony by lawyer witness as to what he "feels the law should be" as improper legal opinion testimony, and noting "lawyers can't just testify regarding the law."). Respectfully, the Commission should accord Mr. Baird's testimony little weight here.

construction of the Primary Route. (See ATXI Br. in Resp. to ALJ Ruling of Apr. 19, 2013 (Apr. 26, 2013); ALJs Notice (Apr. 19, 2013).) Regardless, ATXI can construct the route, or adjust the placement of poles along the route, so that no structures are within the easement area, there is no interference with the easement area, no new landowners are affected, and no significant cost differentials result. (ATXI Exs. 12.0 (Rev.), pp. 32-33; 13.0C (2d Rev.), p. 66; 13.10; Tr. 995-1017.) Stop the Power has expended significant resources (its own, the Commission's, and ATXI's) pursuing an "issue" that is truly a *nonissue*. The federal floodplain easement in Clark County simply reflects an matter of permitting or land rights of the type typically addressed after the Commission has approved a general route in a proceeding such as the one at bar. (ATXI Ex. 13.0C (2d Rev.), pp. 65-66.) That aside, as stated, no party recommends approval of the Primary Route for this portion of the Project.

Finally, unless the Commission intends to approve the Primary Route, ATXI sees no benefit or reason for the Commission to offer its legal interpretation on a matter that is a nonissue. Stop the Power will complain otherwise, but its largely been the practice of this Commission and administrative agencies generally, to defer rulings when not needed. It is unnecessary for the Commission to box itself in a future proceeding by rendering a decision of no import today.

3. Difficulty and Cost of Operation and Maintenance

There is no record evidence the Stipulated Route would be difficult to operate and maintain or would be more costly to operate and maintain relative to the other routes proposed. As explained, that STPL Route 2 runs parallel to an existing transmission line presents the potential for operation and maintenance difficulties, and their attendant costs, absent sufficient separation between the rights-of-ways for the existing and new lines. Again, both circuits may have to be outaged to perform maintenance on either. (ATXI Ex. 13.8, p. 1; ATXI Ex. 12.0

(Rev.), pp. 5-6.) Several Intervenor expressed concern ATXI's Primary Route may be more difficult, and, consequently, more costly, to operate and maintain due to that route's proximity to limestone quarry operations and a federal floodplain easement in Clark County. (STPL Ex. 4.0 (Bush Dir.), pp. 3-7; Tarble Ex. 1.0 (Tarble Dir.), pp. 7-8.) AMS, however, operates and maintains transmission lines adjacent to a variety of land uses and terrains, including quarries and river crossings, and it has not experienced resulting operation and maintenance problems, nor does it foresee any with Primary Route. (ATXI Ex. 12.0 (Rev.), pp. 26-31; Tr. 1015-17.) Nonetheless, as stated, no party – ATXI included – recommends approval of the Primary Route. The record otherwise contains no meaningful distinction between the proposed routes regarding the difficulty or cost of operating and maintaining each.

4. Environmental Impacts

There is no record evidence the potential environmental impacts resulting from construction of the Stipulated Route would be greater than those resulting from the other proposed routes. Rather, the evidence suggests the Stipulated Route will have minimal environmental impacts. (ATXI Ex. 4.5, p. 3 ATXI Ex. 4.0 (Murphy Dir.), pp. 8-10.) Such impacts will occur regardless of the route approved by the Commission, in any event.

5. Impacts on Historical Resources

The Stipulated Route would not impact any known historical resources. (ATXI Exs. 4.0, pp. 36-37; 4.5, p. 2.) There is one known archeological site within the easement area of the Stipulated Route. (ATXI Ex. 4.0, pp. 36-37.) However, none of the archaeological sites that occur along either the Primary or Alternate Routes are listed in the National Register. (Id.) ATXI will work with the IHPA to address issues that may arise during the construction process, and will obtain required permits or approvals, if any, prior to construction. (Id., p. 42.)

6. Societal and Land Use Impacts

The Stipulated Route reflects an optimum location for the transmission line in that it would best minimize societal and land use impacts. (ATXI Exs. 4.0, pp. 8-10; 4.5, p. 1.) The primary impact of this route would be to farmland, but impacts to farmland and individual properties can be addressed through detailed design of the route, construction mitigation measures, and easement and damage compensation discussed.

7. Number of Affected Landowners and Other Stakeholders and Proximity to Homes and Other Structures

There are approximately 150 landowners and other stakeholders with property on or within 250 feet of either side of the Stipulated Route. (ATXI Exs. 5.0 (Trelz Dir.), p. 4; 5.4 (Rev.), pp. 65-68.) There are approximately 140 landowners and other stakeholders with property on or within 250 feet of either side of ATXI's Primary Route. (ATXI Exs. 5.0, p. 4; 5.4 (Rev.), pp. 30-33.)

The Stipulated Route would not require displacement of any residences. Nor would ATXI's Primary Route. Both routes run within 150 feet of a limited number of residential and nonresidential structures:

	Residential Structures within 75-150 feet	Non-residential structures within 75-150 feet
Stipulated Route	6	11
ATXI Primary Route	5	12

(ATXI Ex. 4.5, p. 4.)

STPL Route 2 would impact more residences and may displace homes. (ATXI Ex. 13.0C (2d Rev.), p. 59; Thrift/Thompson/Edgar Cty. Ints. Ex. 2.0 (Mixon Dir.), p. 2.)

8. Proximity to Existing and Planned Development

There is no record evidence the Stipulated Route (or ATXI's Primary Route) is proximate to any existing or planned development. STPL Route 2, however, is proximate to a planned

development. As explained above, that route would traverse the planned Wabash Gas Storage Field in Edgar County. (ATXI Ex. 13.0C (2d Rev.), p. 59.) There is otherwise no record evidence regarding the proximity of the other routes proposed to existing and planned development.

9. Community Acceptance

The Stipulated Route emerged from the public process as a preferred route, as did ATXI's Primary Route. (See ATXI Ex. 4.0, pp. 5-7.) The number of intervening parties who expressly support the Stipulated Route – Stop the Power, Tarble Limestone Enterprises, JDL Broadcasting, Inc., Paul Thrift, John Thompson, and the Edgar County Intervenors (see ATXI Stipulation Ex. 5, ¶ 10) – evinces that route has the widest acceptance.

10. Visual Impact

The visual impacts, if any, will be substantially the same for any route. There is no record evidence that the Stipulated Route is less preferable considering visual impact than any other route proposed for this portion of the Project.

11. Presence of Existing Corridors

ATXI's Alternate Route – the Stipulated Route – emerged, in part, from an evaluation of opportunities, including existing corridors, and stakeholder input as to preferred opportunities. (ATXI Ex. 4.0, pp. 5, 7.) As a result, that route, in substantial part, utilizes the boundary between Edgar and Clark Counties. (ATXI Ex. 13.8, p. 1.) STPL Route 2 parallels an existing 138 kV transmission line, which presents operation and maintenance concerns, as discussed above.

H. Sidney – Rising

ATXI's Primary Route is the preferred option for the portion of the Project between Sidney, Illinois and Rising, Illinois. (ATXI Ex. 13.9.) This route is shown in teal on ATXI

Exhibit 13.9 and highlighted on Figure 8, and was designated the “Rebuttal Recommended Route” in ATXI’s rebuttal testimony. The Primary Route has a base cost of approximately \$4.5 million less than ATXI’s Alternate Route for the Sidney – Rising portion. (ATXI Ex. 16.3 (Rev.), p. 9.) Staff witness Mr. Rockrohr endorses the Primary Route as “the best choice.” (ICC Staff Ex. 1.0R, p. 53.) The Primary Route utilizes an existing easement corridor, and all but one of the Intervenor interested in this portion of the Project, including the City of Champaign and Village of Savoy, Colfax-Scott Land Preservation Group (CSLPG), the Ragheb Family,²⁰ and Michael Lockwood, have submitted testimony in support of ATXI’s Primary Route. (Champaign-Savoy Ex. 1.0C, 2.0C, 3.0; CSLPG Ex. 4.0, p. 2; Ragheb Ex. 2.0, p. 2; Lockwood Ex. A (ATXI-Lockwood 1.6²¹).)

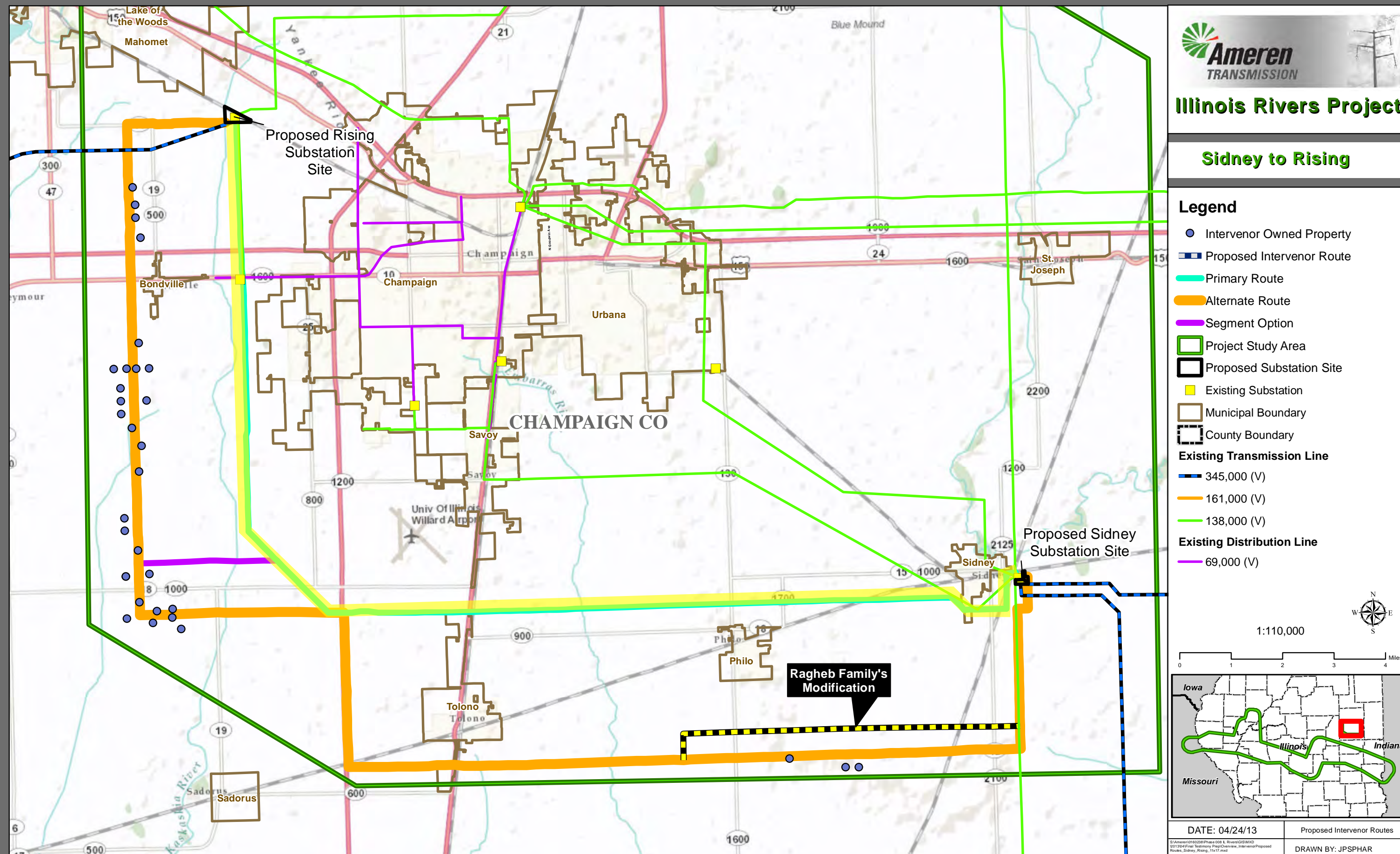
Only the Village of Savoy does not support the entire Primary Route. The Village of Savoy supports the portion of the Primary Route that runs south from the Rising substation, but supports ATXI’s Alternate Route beginning at the point that the line turns to the east towards the Sidney substation. (Champaign-Savoy Ex. 3.0, pp. 3-4.) The Village of Savoy contends that the east-west portion of the Primary Route will interfere with its growth. (*Id.*, 2-3.) However, ATXI’s Primary Route in this area follows an existing unoccupied corridor of easements that were acquired by AIC in the 1970s, and it is unclear why the Village failed to account for the possible use of these easements in its 2008 Comprehensive Plan. (ATXI Ex. 13.0C (2d Rev.)

²⁰ The Ragheb Family was the only Intervenor to propose an alternative route for this portion of the Project. The Ragheb Family’s proposal modifies ATXI’s Alternate Route. It would add five dead-end structures to the route, rendering the Ragheb Family’s proposal the most expensive option. (ATXI Ex. 13.0C (2d Rev.), p. 67.) Additionally, the Ragheb Family’s proposal would be located in close proximity to a greater number of residences than ATXI’s Alternate Route. (*Id.*)

²¹ The ALJs ruled at hearing to admit the exhibits listed on Mr. Lockwood’s emailed Exhibit List, as well as Mr. Lockwood’s Affidavit. However, there seems to be a misunderstanding as to the numbers for each of Mr. Lockwood’s Exhibits, since the document including Mr. Lockwood’s responses to ATXI’s first set of data requests is listed on Mr. Lockwood’s Exhibit List between Exhibit 3 and Exhibit 4 but is not assigned a separate exhibit number.

(Murphy Reb.), p. 74.) That Comprehensive Plan does not indicate any platted development in the vicinity of ATXI's Primary Route. (Id.) Further, the Route overlaps significantly with the route approved by the Commission, and supported by the Village of Savoy, in Docket 12-0080. (Id.) Therefore, the Village's concerns do not support modification of the Primary Route.

ATXI Figure 8: Sidney - Rising



1. Length of the Line

As stated, existing easements cover a majority of the distance of ATXI's Primary Route. (ATXI Ex. 4.2, Part 1, p. 24.) ATXI's Alternate Route is 33.8 miles long. (Id.) The Ragheb Family's proposed modification of ATXI's Alternate route would decrease its length by less than a mile, but would require five additional dead-end structures. (Id.)

	ATXI Primary Route	ATXI Alternate Route	Ragheb Family Route
Estimated Length in Miles	24.2	33.8	32.9

(ICC Staff Ex. 1.0R, p. 53.)

2. Difficulty and Cost of Construction

The estimated baseline cost to construct ATXI's Primary Route from Sidney to Rising is approximately \$25 million less than ATXI's Alternate Route. (ATXI Ex. 16.3, p. 9.) The Ragheb Family's proposed modification of ATXI's Alternate Route requires five additional dead-end structures, which would raise the cost to construct that route. (ICC Staff Ex. 1.0R, pp. 20-21.)

	ATXI Primary Route	ATXI Alternate Route	Ragheb Family Route
Estimated Baseline Cost	\$40.482 million	\$65.122 million	Not specified but < \$65.122 million

(Id.; ATXI Ex. 16.3, p. 9.)

3. Difficulty and Cost of Operation and Maintenance

Because ATXI's Primary Route is significantly shorter than ATXI's Alternate Route, it will cost less to operate and maintain. (Id.) A portion of ATXI's Primary Route will be constructed on dual-circuit towers, which will slightly increase the cost of operation and maintenance for the line. (ATXI Ex. 12.0 (Rev.) (Hackman Reb.), p. 11.) However, that cost is offset by the significantly lower cost of construction and other factors such as planned development, as described below.

4. Environmental Impacts

No evidence of record suggests the Primary Route does not strike the best balance between environmental impacts and other considerations.

Members of CSLPG stated general concern in testimony regarding “environmental preservation” with respect to ATXI’s Alternate Route. (See, e.g., CSLPG Ex. 3.0, p. 3.) However, CSLPG provided no information to support such concerns either in testimony or in response to data requests. (ATXI Ex. 13.0C (2d Rev.), p. 69.) Mr. Lockwood also provided testimony describing his concern that ATXI’s Alternate Route would result in removal of trees on his property. (Lockwood Ex. 1.0, p. 1-2.) Tree removal, however, would not be unique to Mr. Lockwood’s property. (ATXI Ex. 19.0 (Tims Reb.), p. 12.) All of these concerns, in any event, are resolved by adoption of the Primary Route. ATXI’s Primary Route will not impact any known historical resources. (ATXI Exs. 4.0, pp. 36-37; 4.5, p. 2.)

5. Impacts on Historical Resources

ATXI’s Primary Route will not impact any known historical resources. (ATXI Exs. 4.0, pp. 36-37; 4.5, p. 2.) There is one known archaeological site with 75 feet of the Primary Route, but this site does not appear in the National Register of Historic Places. (Id.) ATXI will work with the IHPA to address issues that may arise during the construction process, and will obtain required permits or approvals prior to construction. (Id.)

6. Social and Land use Impacts

As described above, members of CSLPG testified to certain impacts of ATXI’s Alternate Route on agricultural land uses. (See, e.g. CSLPG Ex. 1.0, pp. 3-6.) However, these impacts are not unique to ATXI’s Alternate Route and will occur with equal frequency across the state. (ATXI Ex. 13.0C (2d Rev.), p. 35.) The concerns can be addressed through final line design and compensation, as discussed above. Moreover, adoption of the Primary Route would also address

CSLPG's concerns.

7. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

Approximately 102 individuals own property within 250 feet on either side of ATXI's Primary Route. (ATXI Ex. 5.4 (Rev.), pp. 33-36.) Approximately 150 individuals own property within 250 feet on either side of ATXI's Alternate Route. (*Id.*, pp. 68-71.) There is no record evidence of the total number of landowners that would be affected by the Ragheb Family's modification to ATXI's Alternate Route. However, the modification would place the route in closer proximity to a greater number of existing residences than either the Primary Route or ATXI's Alternate Route. (ATXI Ex. 13.0C (2d Rev.), p. 67; Tr. 830.)

	ATXI Primary Route	ATXI Alternate Route	Ragheb Family Route
Residences 0-75 feet from centerline	0	0	Not specified
Residences 75-150 feet of centerline	3	6	Not specified

(ATXI Ex. 4.5, p. 4.)

8. Proximity to Existing and Planned Development

The Ragheb Family submitted testimony raising concern that ATXI's Alternate Route would impact an ultra light flight park they plan to construct on their property. (Ragheb Ex. 1.0, pp. 3-4; Ragheb Ex. 1.3.) However, requests for regulatory approvals from the Federal Aviation Administration were submitted after this proceeding was initiated, and remain pending. (ATXI Ex. 13.0C (2d Rev.), p. 73; Tr. pp. 694-95.)

The City of Champaign supports approval of a portion of ATXI's Primary Route that lies west of Champaign and within its extra-territorial jurisdiction, since this route would minimize impacts on future urban development in that area. (Champaign-Savoy Ex. 1.0C, pp. 3-4.) The City of Champaign takes no position as to ATXI's Alternate Route or the remainder of the

Primary Route. (Id.)

Mr. Mark Dixon, testifying on behalf of the Estate of Clinton C. Atkins, as a member of the City of Champaign and Village of Savoy Intervenor group, also supports ATXI's Primary Route and opposes approval of ATXI's Alternate Route, due to his stated belief that ATXI's Alternate Route would hinder development of tracts belonging to the Estate. (Champaign-Savoy Ex. 2.0C, pp. 4-5.)

The Village of Savoy opposes part of ATXI's Primary Route, due to alleged impacts on planned future development. (Champaign-Savoy Ex. 3.0, pp. 2-5.) However, the Village has not explained how they failed to account for existing easements in their development plans, or why their position on construction of a transmission line in this area has changed since Docket 12-0080. Therefore, ATXI's Primary Route strikes the best balance between concerns related to planned and existing development, and other considerations.

9. Community Acceptance

As indicated above, most Intervenor with an interest in this portion of the Project support the Primary Route. Therefore, this factor favors the Primary Route.

10. Visual Impact

The visual impacts, if any, will be substantially the same for any route. There is no record evidence that the Primary Route is less preferable considering visual impact than any other route proposed for this portion of the Project.

11. Presence of Existing Corridors

A vast majority of the Primary Route will be located on previously-acquired easements. (ATXI Ex. 4.2, Part 1, p. 24; ATXI Ex. 13.0C (2d Rev.), p. 74.) Additionally, a portion of the Primary Route will be located on the same right-of-way as the transmission line approved by the Commission in Docket 12-0080. (ATXI Ex. 13.0C (2d Rev.), p. 74.)

V. MANAGING AND SUPERVISING THE CONSTRUCTION PROCESS

ATXI is Capable of Efficiently Managing and Supervising the Construction Process of the Project and of Ensuring Adequate and Efficient Construction and Supervision.

To grant the requested certificate, Section 8-406.1(f)(2) of the Act requires the Commission to find that the applicant “is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision of the construction.” 220 ILCS 5/8-406.1(f)(2). ATXI has made the requisite showing, and this is not in dispute.

AMS, on behalf of ATXI, will manage and supervise the construction processes. (ATXI Ex. 3.0 (2d Rev.) (Hackman Dir.), p. 3.) AMS has extensive experience in this regard – it has been constructing transmission line projects for decades and has managed the construction of *hundreds* of miles of transmission line. (*Id.*, p. 5.) In fact, on behalf of ATXI and AIC, AMS has managed and supervised the construction processes of many transmission line projects approved by the Commission, including those approved in Docket Nos. 06-0179, 06-0706, 07-0532, 10-0079, 12-0080, and 12-0154. In Docket Nos. 06-0179 and 06-0706, the Commission specifically authorized ATXI (jointly with AIC) to construct transmission projects. (*Id.*, pp. 5-6); Ill. Power Co., Docket 06-0179, Order, pp. 41-42 (May 16, 2007); Ill. Power Co., Docket 06-0706, Order, pp. 91-92 (Mar. 11, 2009). Moreover, the particular AMS personnel tasked to manage construction of this Project have extensive relevant experience, and those individuals ultimately will oversee all aspects of the Project’s construction. (ATXI Ex. 3.0 (2d Rev.), pp. 3-5; pp. 8-9; ATXI Ex. 10.0 (Rev.) (Borkowski Reb.), p. 17.)

Based on its informed experience, AMS, on behalf of ATXI, will build the Project in portions, utilizing construction processes tailored to the anticipated in-service date of each portion and resource allocation considerations. (ATXI Ex. 3.0 (2d Rev.), p. 6.) AMS also has

determined that use of contractors is the most efficient, cost-effective means to construct transmission line projects. As it routinely does, it will employ contractors (specifically, union contractors) to construct this Project, and will engage them using a rigorous sourcing process that ensures it secures the best bid for the necessary work. (Id., pp. 7-8.)

ATXI also has taken, and will continue to take, sufficient action to ensure adequate and efficient construction and supervision of the construction processes for the Project. AMS has documented corporate project oversight policies and procedures consistent with American National Standards Institute standards. These policies and procedures will govern all phases of the Project. (Id., p. 8.) Additionally, AMS will construct the Project in accordance with all applicable federal and state regulations and orders of the Commission, including Part 305 of the Commission's Rules and the National Electrical Safety Code. (Id., p. 9.) AMS will further ensure efficient construction by managing construction costs using a comprehensive technique, widely-used in the industry, that it has found to effectively measure and forecast project performance and progress in an objective manner, fostering the early detection of issues to assure project success. (Id., p. 9.)

No Intervenor has questioned ATXI's (or AMS's) ability to efficiently manage and supervise the Project's construction processes, or to ensure adequate and efficient construction and supervision of the Project. Only Staff raised a related concern. Mr. Rockrohr initially questioned whether ATXI's continued existence and ability to complete the Project depended upon Ms. Borkowski retaining her positions as President and CEO of the Company. (ICC Staff Ex. 1.0R, p. 8.) Despite that concern, however, he agrees that AMS personnel are capable of managing and supervising the Project, he is not aware of any Commission order finding AMS unable to adequately manage and supervise transmission line construction, and he has no reason

to question that AMS has successfully overseen similar projects. (ATXI Ex. 12.1, pp. 1-2 (ATXI-ICC 1.04 & 1.05); ICC Staff Ex. 1.0R, p. 8; Tr. 244.) Regardless, at hearing, Mr. Rockrohr testified his concern in this regard was largely resolved by ATXI's rebuttal filing. (Tr. 244.)²²

In sum, ATXI's ability to efficiently manage and supervise the construction process of the Project and to ensure adequate and efficient construction and supervision of it is not in dispute. The Commission should find ATXI has made the requisite showing under Section 8-406.1(f)(2) of the Act.

VI. FINANCING THE PROPOSED CONSTRUCTION

ATXI Is Capable of Financing the Proposed Construction Without Significant Adverse Financial Consequences for the Utility or Its Customers

Section 8-406.1(f)(3) of the Act requires that for the Commission to grant a Certificate, it must find that it is "capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers." 220 ILCS 5/8-406.1(f)(3). The record establishes that ATXI is capable of financing the Project, and no party has argued otherwise.

ATXI has satisfied this burden and has shown that it will be able to finance the Project without significant adverse financial consequences. The funds required for construction will be available to ATXI, at least initially, primarily from Ameren Corporation, its parent. While the total expected cost for the project ranges from \$1.092 to 1.168 billion for the Primary and Alternate Routes respectively (ATXI Ex. 6.0 (Hughes Dir.), p. 4), Mr. Hughes testified that

²² Mr. Rockrohr ultimately agreed that Ms. Borlowski's departure from ATXI would not be unlike an individual Commissioner's departure from the Commission – in either event, a successor would be found and business would continue. (See Tr. 243-44.) Mr. Rockrohr is "75 to 80 percent satisfied that ATXI would continue in some capacity, as well as the project, should Ms. Borkowski leave[.]" (Id. at 244: 13-16.) Even so other than conjecture, Staff never explains why it believes ATXI would not put someone in place should Ms. Borkowski leave.

“Ameren is well-capitalized and has access to the funding necessary to finance the Project.” (Id. p. 7.) Supporting this conclusion, Ameren Corporation has access to debt and equity markets and maintains bank lines of credit amounting to \$2.1 billion. (Id.) Additionally, the parent has access to other fund sources including, but not limited to, “funds from operation of its subsidiaries, funds from periodic debt or equity issuances, dividends, and cash savings from tax deferrals.” (Id.) While the Project will be funded over several years, even “[i]f the Project was financed immediately, the Project would only add 7.2% to 7.6% to the June 30, 2012 capitalization of Ameren.” (Id., p. 8.) Therefore, Ameren Corporation clearly possesses the financial wherewithal to fund the Project without bearing significant adverse consequences.

ATXI has access to Ameren Corporation’s funds via intercompany loans and equity infusions. The Commission has already approved two intercompany borrowing arrangements. A short-term arrangement for up to \$125 million under the Unilateral Borrowing Arrangement, approved as part of Docket 08-0174. (Id., p. 3.) A long-term arrangement under the Long Term Borrowing Agreement for up to \$100 million over a term not to exceed 10 years, was approved under Docket 12-0017 on December 5, 2012, as amended December 19, 2012. Going forward, ATXI will replace short-term borrowing under the long-term agreement, and will seek to renew the long-term lending arrangement at least every three years and to extend the maximum sum above the \$100 million limit as necessary. (Id.) No party has disputed ATXI’s access to Ameren Corporation’s funds. In fact, on cross-examination, Mr. Rockrohr conceded, “I have no reason to question that the line of credit [from Ameren Corp.] won’t be available to [ATXI].” (Tr. 246: 2-3.)

ATXI will also have access to additional funds through periodic equity infusions from Ameren Corporation and ATXI’s retained earnings. Such infusions are expected to occur to the

extent necessary to maintain the target capital structure for ATXI of 56% equity to 44% debt, as approved by FERC. (ATXI Ex. 6.0, p. 5-6.) ATXI currently has retained earnings and will continue to receive earnings based on the transmission facilities it currently owns and those to be constructed as part of this Project. (*Id.*, pp. 2, 8-9.) This revenue is and will be generated because even though ATXI does not have any direct retail customers, ATXI's transmission facilities are a part of MISO, which provides service and receives revenue from wholesale and retail customers, that it then distributes to ATXI via the MISO tariff. (*Id.*, p. 2-3.) This MISO tariff allows ATXI to recover its interest expense associated with its construction debt in the year in which it is incurred, and to earn a rate of return on the equity portion of its capitalization, meaning "ATXI will be made whole throughout its construction cycle." (*Id.*, p. 8-9.) These provisions significantly reduce the financial risk associated with the construction of the Project. For that reason, the Project should not impose financial stress on ATXI. (*Id.*, p. 8.)

Mr. Hughes concludes that "ATXI can finance the Project without adverse financial consequences to the utility or its customers." (*Id.*) No party to this proceeding has disputed this conclusion. Mr. Rockrohr, in his direct testimony, did comment that he did not know whether ATXI could finance the Project. (ICC Staff Ex. 1.0R p. 10.) However, on cross examination, Mr. Rockrohr admitted that he did not have knowledge of anything that would lead him to question ATXI's ability to finance the Project. (Tr. 245.) Therefore, the Commission should find that ATXI has satisfied its evidentiary burden under Section 8-406.1(f)(3).

VII. OTHER – SECTION 8-503 ORDER

ATXI also seeks a Commission order authorizing the Project be built pursuant to Section 8-503 of the Act. Pursuant to Section 8-406.1(i) of the Act, "a decision granting a certificate under this Section shall include an order pursuant to Section 8-503 of this Act authorizing or directing the construction of the high voltage electric service line and related facilities as

approved by the Commission, in the manner and within the time specified in said order.” 220 ILCS 5/8- 406.1(i). Section 8-503 of the Act provides whenever the Commission finds that additions to existing plant are necessary and ought reasonably to be made, or that a new structure or structures ought to be erected, the Commission “shall make and serve an order authorizing or directing that such additions . . . be made, or structure or structures be erected” 220 ILCS 5/8-503. No party opposes the issuance of a Section 8-503 Order. For the reasons set forth above, the Project is necessary and the Commission should authorize its construction pursuant to Sections 8-503 and 8-406.1(i).

VIII. CONCLUSION

For the reasons set out above, the Commission should issue ATXI a Certificate of Public Convenience and Necessity under Section 8-406.1 of the Act authorizing ATXI to construct, operate and maintain a new 345 kV electric transmission line and related facilities, including new or expanded substations at Quincy, Meredosia, Ipava, Pawnee, Pana, Mt. Zion, and Kansas, as set forth in record in this proceeding. The Commission should also issue an order pursuant to Sections 8-406.1(i) and 8-503 of the Act authorizing or directing construction of the Project.

Dated: June 3, 2013

Respectfully submitted,

Ameren Transmission Company of Illinois

/s/ Albert D. Sturtevant

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CERTIFICATE OF SERVICE

I, Albert Sturtevant, an attorney, certify that June 3, 2013, I caused a copy of the foregoing *Ameren Transmission Company of Illinois Initial Brief* to be served by electronic mail to the individuals on the Commission's Service List for Docket 12-0598.

/s/ Albert D. Sturtevant

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